

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE JOINT APPLICATION OF THE PAINTSVILLE	)	
UTILITY COMMISSION, A POLITICAL	)	
SUBDIVISION OF THE CITY OF PAINTSVILLE,	)	
KENTUCKY AND THE JOHNSON COUNTY WATER	)	
DISTRICT, THAT THE PUBLIC SERVICE	)	CASE NO. 10474
COMMISSION APPROVE THE TRANSFER OF THE	)	
JOHNSON COUNTY WATER DISTRICT'S	)	
DISTRIBUTION SYSTEM TO THE PAINTSVILLE	)	
UTILITY COMMISSION	)	

O R D E R

On November 18, 1988, the city of Paintsville, a fourth class city located in Johnson County, Kentucky, and the Johnson County Water District ("Johnson County"), a public utility organized under the authority of KRS Chapter 74, filed a joint application for approval of the transfer of Johnson County's distribution system to Paintsville. The terms of the transfer are set forth in the jointly executed Agreement dated May 10, 1987 and attached as Exhibit A to the application.

The Commission has reviewed the Agreement and application as well as the financial, managerial, and technical expertise of Paintsville and is of the opinion and finds that Paintsville is ready, willing, and able to own and operate the Johnson County Water distribution system. Paintsville currently maintains a municipal water works and distribution system serving approximately 2,500 customers which is governed by a 5 member Utility Commission. For the past 12 months Johnson County has

been managed by the Paintsville Utility Commission pursuant to a management agreement. The Paintsville Utility Commission will continue to employ the same experienced and qualified personnel who have been operating the system for the past year.

The Commission is also of the opinion and finds that Paintsville is financially capable of providing adequate and reliable service to the customers presently served by Johnson County.

IT IS THEREFORE ORDERED that:

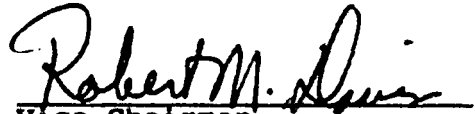
1. The transfer of the water distribution system of Johnson County to Paintsville be and it hereby is approved.

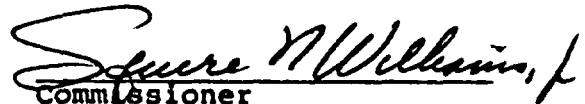
2. Johnson County shall be responsible for filing the annual report with the Commission for the portion of 1988 in which it owned the system.

Done at Frankfort, Kentucky, this 28th day of December, 1988.

PUBLIC SERVICE COMMISSION

Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

Executive Director